

COMMISSION
KRISTIN K. MAYE
GARY PIE
PAUL NEW
SANDRA D. KENNEDY
BOB STUMP



0000118426

ORIGINAL

ERNEST G. JOHNSON
Executive Director

ARIZONA CORPORATION COMMISSION

September 28, 2010

To: Docket Control

RE: Arizona American Water Company - Customer Comments
Docket Nos. W-01303A-09-0343 and SW-01303A-09-0343

Please docket the attached 37 customer comments OPPOSING a rate increase and/or consolidation in above cases.

Customer comments can be reviewed in E-docket under the above docket numbers.

Filed by: Utilities Division – Consumer Services

Arizona Corporation Commission
DOCKETED

SEP 29 2010

DOCKETED BY	
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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

2010 SEP 29 A 9:23

RECEIVED

W-01303A-09-0343
SW-01303A-09-0343

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Richard Martinez

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89471

Date: 9/20/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Shellie Last: Orlowski

Account Name: Shellie Orlowski

Home: 602-455-2555

Street:

Work:

City: Phoenix

CBR:

State: AZ Zip:

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Karl Wilkins

Contact Phone:

Nature of Complaint:

***** W-01303A-09-0343 AND SW-01303A-09-0343 *****

From: Larry Orlowski [mailto:

Sent: Saturday, September 18, 2010 8:27 AM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Arizona Corporation Commissioners

To Whom It May Concern:

As an Anthem resident since the beginning (1999) we are very concerned about the water situation here in Anthem in which we live, we currently support my mom here in Anthem (which is upside down financially due to the housing market) as well as are currently helping our renter (this house is also upside down with the mtg) whom due to a car accident which has left him in intensive care at St Joesph's Hospital with 4 spinal breaks and a fractured skull he is unable to pay rent or any bills as is the sole support of his family - we have already lost retirement home, and my husband has lost his retirement insurance from Honeywell and now will be forced to work 5 years further as he has a heart condition - please do not raise our rates at this time. We were never informed of any water rate hikes that would occur when we bought in Anthem and do would not have done so had we known our rates would increase so substantially.

Shellie Orlowski

Anthem, AZ 85086

End of Complaint

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Utilities' Response:

Investigator's Comments and Disposition:

9/20

Emailed to Phoenix for docketing. FILE CLOSED.

End of Comments

Date Completed: 9/20/2010

Opinion No. 2010 - 89471

W. 01303A-09.0343
SW. 01303A-09.0343

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Jenny Gomez

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89678

Date: 9/27/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Stephen Last: Champion

Account Name: Stephen Champion

Home: (000) 000-0000

Street: N/A

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: Arizona - American Sewer Company

Division: sewer

Contact Name:

Contact Phone:

Nature of Complaint:

DOCKET NO's W-01303A-09-0343 and SW-01303A-09-0343
REFERENCE: Arizona - American Sewer Company - Anthem

From: Champion [mailto:

Sent: Saturday, September 25, 2010 12:24 PM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web

Cc: Utilities Div - Mailbox; 'Jodi Jerich'; Sheila Stoeller; 'Judith Dworkin'; 'Gail & Steve Champion'

Subject: RE: Docket: W-01303A-09-0343 and SW-01303A-09-0343

Dear Commissioners:

This is a supplement statement to my previous public testimony before the Arizona Corporation Commission and submittal of several emails providing supporting documentation for consideration in the subject rate case hearings.

During the ongoing Arizona American Water (Applicant) rate case hearings, the Commissioners have been provided extensive commentary regarding a significant base rate issue. As a homeowner in Anthem, I am concerned about the rate setting process and establishing a "fair and equitable" base rate for all homeowners. It seems appropriate that the Arizona Corporation Commission should be fairly setting rates for the "water & sewer services" actually being used. As the Arizona Corporation Commission fully understands, this rate case is being debated exclusively at the base rate level, not on the water usage & sewer services.

Factually, the current base rate differentials for 5/8", 3/4", and 1" meters simply can't be supported. The documented, one-time, cost difference between a Neptune T-10 3/4" meter and a Neptune T-10 1" meter is approximately \$98.00. There is no incremental operational expense or maintenance differential incurred by the applicant. All Anthem customers with a 1" meter have been paying a significant differential rate from the inception of their service. This small "one-time cost" has already been recouped by the applicant many times over. As the Arizona Corporation Commissioners know, the majority of municipal water districts in the United

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

States don't impose a rate differential between 3/4" and 1" meters. For those that do, the differential is very small.

The applicant now proposes to increase the base rate in the Community of Anthem on a percentage basis. This will only serve to widen an already unfair and discriminatory base rate structure. The applicant has testified that they are willing to allow customers to downsize their meters to take advantage of a significantly lower rate. In this testimony, they confess concern with regard to how this might impact their entire base rate approach. The Arizona Corporation Commission and RUCO are reminded that in all of this testimony, there has never been an expert opinion provided as to the customer safety of such downsizing.

In summary, the base rate should be a "fair and equitable" allocation of the fixed costs of providing and maintaining the infrastructure. The rate hearings should be focused on the cost of Water & Sewer services.

Respectfully,
Stephen Champion
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Noted and filed for the record in Docket Control.
End of Comments

Date Completed: 9/27/2010

Opinion No. 2010 - 89678

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Jenny Gomez

Phone:)

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89689

Date: 9/27/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Mr & Ms Phil Last: Abbinanti

Account Name: Mr & Ms Phil Abbinanti

Home: (000) 000-0000

Street: N/A

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone: (

Nature of Complaint:

DOCKET NO's: W-01303A-09-0343 and SW-01303A-09-0343
REFERENCE: Arizona - American Water Company - Anthem

From: Phil Abbinanti [mailto:
Sent: Sunday, September 26, 2010 8:33 AM
To: Utilities Div - Mailbox
Subject: Proposed Water Rate Increase

Dear Commissioner,

We recently purchased a home in Anthem, Az. in anticipation of our retirement. Hopefully, we will make the move in January. We struggled in our selection because of the severe downturn of the economy and the greatly reduced value of our retirement account. Our first choice was Arizona as was our family before us. It was a difficult decision because of our finances but we figured our budget would support our purchase and the economy would improve.

The proposed water rate increase is extremely excessive. We are being told through our Association that our water bills could increase as much as 77%, let alone an increase to our Association Dues as well as retail cost increases. We simply can't afford anything near this rate of increase.

Please don't vote your approval of this proposal. Consider the people of Anthem, AZ.

Sincerely
Mr. & Mrs. Phil Abbinanti

Pending Resident of Anthem, AZ.
End of Complaint

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Utilities' Response:

Investigator's Comments and Disposition:

Noted and filed for the record in Docket Control.

End of Comments

Date Completed: 9/27/2010

Opinion No. 2010 - 89689

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Jenny Gomez

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89690

Date: 9/27/2010

Complaint Description: 08A Rate Case Items - Opposed
 N/A Not Applicable

Complaint By: First: Last:
 Maureen **Porter**

Account Name: Maureen Porter

Home: (000) 000-0000

Street: N/A

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: **Arizona - American Water Company**

Division: Water

Contact Name:

Contact Phone

Nature of Complaint:

DOCKET NO's: W-01303A-09-0343 and SW-01303A-09-0343
REFERENCE: Arizona - American Water Company - Anthem

From: Maureen Porter [mailto:

Sent: Sunday, September 26, 2010 8:36 AM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Anthem water rates

Dear Ladies and Gentleman,

I wanted to take the time to e-mail you with my personal and professional concerns regarding the potential water rate increases in Anthem. This would affect me personally as I live in the Anthem Country Club and would see a great increase in my water& HOA bills, community assessment and Country Club dues. We are already paying higher fees to live in the Country Club and this is a choice I have factored into my budget to have the benefit of this lovely community. This unwanted and ridiculously high increase would make a great impact on my ability to continue living here. In this time of current economic situation such an increase would have a hug negative impact, and is not warranted.

I also express my concerns for what this increase would do to Anthem as a community in general. We have seen many businesses forced to close due to the recession and this increase would force many other companies just hanging on to close. The ripple effect to the amenities, lifestyle , safety on such a unique and lovely community would be devastating. I am sure you can imagine the results and must have been moved by the outpouring of concern by the citizens of Anthem.

Sincerely
Maureen Porter
End of Complaint

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Utilities' Response:

Investigator's Comments and Disposition:

Noted and filed for the record in Docket Control.
End of Comments

Date Completed: 9/27/2010

Opinion No. 2010 - 89690

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Jenny Gomez

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89694

Date: 9/27/2010

Complaint Description: 08A Rate Case Items - Opposed
 N/A Not Applicable

Complaint By: First: Last:
 Tim Dumbrell

Account Name: Tim Dumbrell

Home: (000) 000-0000

Street: N/A

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone:

Nature of Complaint:

DOCKET NO. W-01303A-09-0343 and SW-01303A-02-0343
REFERENCE: Arizona - American Water Company - Anthem

-----Original Message-----

From: Timothy Dumbrell [mailto:
Sent: Monday, September 27, 2010 7:42 AM
To: Utilities Div - Mailbox
Subject: Water

Dear concerned,

I'm a recent resident of Anthem, and as you know And as you know our water rates are sky high. I'd like to people to consider lowering our rates and giving us more in line with city of Phoenix, rather than gouging us because we are on County water. You might want to even consider getting a calculator out and calculating how much a 70% increase in YOUR water bill might influence your life. Please do not consider this water rate increase.

Sent from my Iphone

Thanks
Tim Dumbrell
Sent from my Iphone
Thanks
Tim Dumbrell
End of Complaint

Utilities' Response:

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator's Comments and Disposition:

Noted and filed for the record in Docket Control.

End of Comments

Date Completed: 9/27/2010

Opinion No. 2010 - 89694

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Richard Martinez

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89542

Date: 9/21/2010

Complaint Description: 08A Rate Case Items - Opposed
 N/A Not Applicable

Complaint By: First: Stephen F. Last: Johnson

Account Name: Stephen F. Johnson

Home: (000) 000-0000

Street:

Work: (000) 000-0000

City: Phoenix

CBR:

State: AZ Zip: 85086

is:

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone:

Nature of Complaint:

Docket Nos. W-01303A-09-0343 AND SW-01303A-09-0343

From: Stephen Johnson [mailto:
Sent: Monday, September 20, 2010 3:52 PM
To: Utilities Div - Mailbox
Subject: Proposed Anthem Water Rate Increase -- NO

Dear Arizona Corporation Commissioners:

I'm writing you to urge you to deny the large Water and Sewer rate increase proposed by the Arizona American Water Company. This increase, if approved, will have a devastating effect on the Anthem community, and will result in a severe impact on my wife's and my personal Anthem expenses. In addition to our water rates doubling, there will also be significant increases in our Homeowners Association and Anthem Country Club dues. Everyone who lives in Anthem will be adversely affected by this increase.

I believe this increase will have a large negative impact on the Anthem community as a whole, and may result in a permanent loss of residents and businesses.

I served on my local water district board in Northern California for over 20 years, and am well aware of the financial challenges facing water companies. We always looked at several alternatives for financing large expenditures, and how to minimize the impact on customers. I ask that you carefully check Arizona American's rate case financials, and any other alternatives they considered. You may also offer some alternatives of your own. But please don't approve this increase in its current state.

Sincerely,

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Stephen F. Johnson

Anthem, AZ 85086
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/21
Emailed to Phoenix for docketing. FILE CLOSED.
End of Comments

Date Completed: 9/21/2010

Opinion No. 2010 - 89542

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Richard Martinez

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89483

Date: 9/20/2010

Complaint Description: 08A Rate Case Items - Opposed
 N/A Not Applicable

Complaint By: First: Jim Last: Bell

Account Name: Jim Bell

Home: (000) 000-0000

Street:

Work:

City: Anthem

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone

Nature of Complaint:

***** W-01303A-09-0343 AND SW-01303A-09-0343 *****

From: Jim Bell [mailto: jimbell@azwater.com]

Sent: Saturday, September 18, 2010 10:27 AM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Water rate increases - Anthem, Az

As a retiree and a relatively new homeowner in Anthem Country Club, I am shocked to learn of the water infrastructure repayment plan which will result in a huge increase in water rates (plus the knock-on effect that will raise assessments from the HOA and other costs) for myself and my neighbors.

I was already more than surprised to see the cost of water in our town, compared to other places I have lived, since I moved here (\$55 per month higher than the average for the Phoenix area I find out from local press articles etc), but to add monthly costs that will now dwarf that \$55 - especially at this point in our economic picture - is unconscionable.

With sky-high foreclosure rates in our region, homes that are valued at 50% (or less) of their values of a few years ago, record unemployment rates affecting all age groups etc, we are already teetering on the brink of disaster. To add a huge monthly burden now to the average person's budget for water is a callous decision and can only result in our current dire predicament getting worse. It also seems to me that water companies make money out of occupied homes where the occupants have enough in their budget to use the commodity for in-home and exterior purposes, not from boarded-up real estate back on the books of banks for indeterminate periods.

It is not that the recipient of these projected new rates is in financial difficulties themselves or that there is no

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

other way of dealing with this issue. American water is in good financial shape and the nationally (nay, internationally) accepted method of financing water infrastructure projects is long-term through bond issuances backed by the assets, not through accelerated, short-term methods that bring hardships to - and lower water usage by - consumers.

I urge all of you therefore to opt for fairness to Arizona residents in your decision by directing Arizona American Water to obtain appropriate and normal long-term funding for the infrastructure in question and to consider only such funding mechanisms when establishing our water rates.

Yours very truly

James S. Bell

Anthem Az 85086

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/20

Emailed to Phoenix for docketing. FILE CLOSED.

End of Comments

Date Completed: 9/20/2010

Opinion No. 2010 - 89483

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Jenny Gomez

Phone:

Fax: \---, --

Priority: Respond Within Five Days

Opinion **No.** 2010 - 89692

Date: 9/27/2010

Complaint Description: 08A Rate Case Items - Opposed
 N/A Not Applicable

Complaint By: **First:** Belinda **Last:** Oswald

Account Name: Belinda Oswald

Home: (000) 000-0000

Street: N/A

Work:

City: Phoenix

CBR:

State: AZ **Zip:** 85086

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone:

Nature of Complaint:

DOCKET CONTROL NO'S: W-01303A-09-0343 and SW-01303A-02-0343
REFERENCE: Arizona - American Water Company - Anthem

From: beloswald@aol.com [mailto:
Sent: Sunday, September 26, 2010 12:16 PM
To: Utilities Div - Mailbox
Subject: Anthem Water rate increase

I am a new homeowner in Anthem Arizona and am astounded with the news of a possible near 77% rate increase for water. This is robbery! I do not understand how a multi-million dollar company can be asking for such an increase and get away with it. Please help and stop this.

Belinda Oswald
Anthem Arizona Homeowner
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Noted and filed for the record in Docket Control.
End of Comments

Date Completed: 9/27/2010

Opinion No. 2010 - 89692

From: Bill Oelhafen [mailto:oelhafen@cox.net]
Sent: Tuesday, September 28, 2010 8:59 AM
To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web;
Utilities Div - Mailbox
Subject: water rate increase for anthem

> Dear Commissioners:

>

> I am writing to you as a resident of Anthem Country Club. I am writing to express my concerns about the actions being considered with our water rates.

>

> As I understand it, Del Web and American Water made an agreement for which Del Web had a right to be reimbursed for the water infrastructure costs incurred in building out Anthem. American Water had agreed to this deal. There was an estimated amount of risk American Water, as a company, had to calculate when making this deal as the timing of the reimbursement was uncertain (based on certain build out and vacancy statistics). Unfortunately for American Water, the timing came earlier than expected, and now they have had to put out more of an expense, I am sure at an inopportune time, than they expected.

>

> However, if they wanted to spread this risk, the time for them to do this was during the building phase. There is no where in our purchase agreements that indicates we, the residents, would have to be the bearer of their poor business decisions.

>

> In a time where we have all had to make sacrifices, they are trying to off THEIR accountability and responsibility to the residents of Anthem.

>

> We -- my specific family - has lost over 35% of our income, our house has lost 35% of it's value (fortunately we are still above water), we have had to cut out eating out, vacations, and basically any extra expenses. We have had to continually cut back our expenses of things people take for granted, gas for cars, food for the house, activities for our kids. We have done so because it is our RESPONSIBILITY. There is no one to bail us out.

>

> If the Council chooses to proceed with this rate action it will come close to doubling our water bill and increase our Anthem dues (due to their passing on their rising costs). In percentage terms, after all of our income loss and expense cuts, this water increase will increase our budget by 6% on a monthly basis. As we have already come close to cutting to the bone, I don't know where we will find this further expense. And although we can cut back some usage, water is a key need for daily life.

>

> As we have taken responsibility for ourselves, it is time that Corporations, including American Water, take responsibility for their unfortunate business decisions. They are accountable for the deal they cut with Del Webb. They need to owe up to it.

>

> Sincerely
> William Oelhafen
> 1742 West Dion Drive

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Jenny Gomez

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89682

Date: 9/27/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Frank Last: Giordano

Account Name: Frank Giordano

Home: (000) 000-0000

Street: N/A

Work:

City: Anthem

CBR: I

State: AZ Zip: 85086

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone:

Nature of Complaint:

DOCKET NO's: W-01303A-09-0343 and SW-01303A-09-0343
REFERENCE: Arizona - American Water Company - Anthem

From: Frank Giordano [mailto:
Sent: Saturday, September 25, 2010 3:28 PM
To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox
Subject: Anthem Water Case

I have been an Anthem resident for more than seven years. In my original home purchase paperwork, there is no mention of water or sewer infrastructure being owned by Del Webb, independent of the community.

The cost for water has skyrocketed to the point where it is difficult to maintain paying on a retirement income.

The compounding effect of all of our Homeowner's association dues increasing to pay for water as well as our own bills is daunting.

As a former business person, I am appalled at the thought of paying for a capital improvement, such as water and sewer lines, through the rate structure. We will be paying these high rates long after the infrastructure is paid for - this is unethical.

Please look long and hard at this rate case and understand how many people are affected by the greed of just a few corporations.

Thank you for your consideration in this matter.

Frank Giordano
Anthem resident
End of Complaint

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Utilities' Response:

Investigator's Comments and Disposition:

Noted and filed for the record in Docket Control

End of Comments

Date Completed: 9/27/2010

Opinion No. 2010 - 89682

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Jenny Gomez

Phone: -----

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89676

Date: 9/27/2010

Complaint Description: 08A Rate Case Items - Opposed
 N/A Not Applicable

Complaint By: First: Last:
Kenneth & Mary Jones

Account Name: Kenneth & Mary Jones

Home: (000) 000-0000

Street: N/A

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone: -----

Nature of Complaint:

DOCKET NO's: W-01303A-09--0343 and WS-01303A-09-0343
REFERENCE: Arizona - American Water Company - Anthem

From: ~
Sent: Saturday, September 25, 2010 7:24 AM
To: Mayes-WebEmail; Kennedv-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox
Cc: r
Subject: Arizona American Water Rate Increase

Arizona American negotiated a behind the scenes, questionable transaction with Del Webb which I believe was intentionally concealed from buyers of homes in Anthem. While allegedly disclosed in the CC&R's I doubt if most purchasers of homes were aware of this potential future liability. The CC&R's/disclosures documents I received were 100's of pages long. Del Webb should have been compelled to reveal this expense to all new home buyers. Which they did not for me.

Please do not approve this pending rate increase. We are in a well documented recession with many homeowners suffering loses in value on their homes greater than 40%. Not only can I not afford to pay this additional increase but I fear if approved it will be "the straw that broke the camels back" and will lead to many more residents simply walking away from their homes. This would not be good for Anthem or Arizona or Arizona American.

Arizona American negotiated a poor and legally questionable transaction, you've already approved one significant increase and they should not be allowed to pass further expenses on to the residents at this time. Time for them to tighten their belts like all of us have been forced to do.

Do your jobs, protect the citizens and residents from this unreasonable financial hardship.

Sincerely,

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Kenneth Jones
Anthem Resident
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Noted and filed for the record in Docket Control.
End of Comments

Date Completed: 9/27/2010

Opinion No. 2010 - 89676

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Jenny Gomez

Phone:

Fax: (

Priority: Respond Within Five Days

Opinion No. 2010 - 89668

Date: 9/27/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Joe Last: Lorson

Account Name: Joe Lorson

Home: (000) 000-0000

Street: N/A

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone:

Nature of Complaint:

DOCKET NO's W-01303A-09-0343 and WS-01303A-09-0343
REFERENCE: Arizona - American Water Company - Anthem

From: Joe Lorson [mailto:
Sent: Friday, September 24, 2010 10:26 PM
To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox
Subject: Arizona-American Water Rate Increases

Dear Commissioners:

I'm a homeowner in Anthem, AZ. I'm writing you to express my concern about the proposed water rate increase. Arizona-American Water should not be allowed to raise rates by such a drastic amount. I understand that from time-to-time, small rate increases may be required to keep pace with inflation. In my opinion, if the Commission allows such a drastic rate increase by a monopoly, especially in these economic times, you are not watching out for the public interest. The increase would not only affect my home water bill, but will increase my HOA dues and Anthem's overall cost of living due to the impact to local businesses. Arizona-American Water should take responsibility and exercise cost cutting measures if they need to increase income.

Regards,

Joe Lorson
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Noted and filed for the record in Docket Control.
End of Comments

Date Completed: 9/27/2010

Opinion No. 2010 - 89668

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Jenny Gomez

Phone: ()

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89665

Date: 9/27/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Paula Last: Rogers

Account Name: Paula Rogers

Home: (623) 322-3311

Street:

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone:

Nature of Complaint:

DOCKET NO's. W-01303A-09-0343 and WS-01303A-09-0343
REFERENCE: Arizona - American Water Company - ANTHEM

From: Paula Rogers [mailto:
Sent: Friday, September 24, 2010 8:29 PM
To: Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox; Mayes-WebEmail; Kennedy-Web
Subject: Anthem - proposed water rate increase

Members of the Arizona Corporations Commission:

We are writing to express our great concern about the proposed water rate increase in Anthem. Anthem is a beautiful community that offers a great lifestyle. However, people will be forced to give up that lifestyle if utility rates, which already are outrageous, become even more onerous.

When we moved to Anthem 13 months ago, we quickly discovered, to our chagrin, that water rates in this community significantly exceed water rates we have paid in every community we've lived in, including communities in Southern California and Las Vegas, NV. When we learned that those already outrageous rates may double, we started planning an exit strategy. We are retired and have a fixed income which does not provide for paying water rates that are ten times (or more) than water rates elsewhere.

Increasing water rates in Anthem will have a significant impact on the value of property in this area. If we had known that the water rates are at the current level, we would not have bought a home in this area. Future homebuyers will be dissuaded from buying homes in Anthem if the rates continue to increase. The home next to our home and the home across the street from our home are now on the market. Increasing water rates as proposed will be the "final straw" that will push many homeowners to leave the Anthem area.

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

We will move from Anthem if the proposed water rate increase is approved. We think that the high water rates should have been a matter of disclosure when we purchased our home. And, we think that the situation which Arizona American Water has presented as the reason for the proposed increase should have been a matter of disclosure to homebuyers.

We urge the Arizona Corporations Commissioners to consider the financial impact on Anthem homeowners. Arizona American Water should be encouraged to seek more reasonable ways to solve their financial problems, if indeed it has financial problems.

Thank you for considering the financial impact on members of the Anthem community when you deliberate this matter.

Paula Rice Rogers

Anthem, AZ 85086

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Noted and filed for the record in Docket Control

End of Comments

Date Completed: 9/27/2010

Opinion No. 2010 - 89665

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Deb Reagan

Phone:

Fax: (

Priority: Respond Within Five Days

Opinion No. 2010 89645

Date: 9/24/2010

Complaint Description: 08A Rate Case Items - Opposed
 N/A Not Applicable

First:

Last:

Complaint By: **Henrietta**

Longworth

Account Name: Henrietta Longworth

Home:

Street:

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is:

Utility Company: **Arizona - American Water Company**

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (

Nature of Complaint:

***** W-01303A-09-0343 AND SW-01303A-09-0343 *****

Customer sent the following -

From: Hedy Longworth [mailto:]
Sent: Friday, September 24, 2010 10:00 AM
To: Mayes-WebEmail
Subject: Anthem Water Rate Increase

Dear Arizona Commissioners:

I recently moved to Anthem Country Club, from CO, because I needed to live in a drier climate, and research told me Arizona was most affordable. I am 65, alone, and was forced into retirement or go on losing money by trying to stay in business....all as a result of the Wall Street debacle and gripping national economic situation. I am living on my social security check and my savings. Forget about living off dividends and interest on where I could have had my money invested (which was what my financial plan had included)...that is history! The best I can do is get a pathetic CD rate and I am afraid to be in stocks or even bonds because of the forces over which I have no control, but that affect the short term outcome of any investment. I have already been devastated in that arena.

So I try to control my expenses which could stretch out my cash resources. My car is 5+ years old; I cant even travel to my five grandkids' birthdays each year....I have to pick and choose which ones to celebrate. I would sell this house but I would (already) lose money if I did. SO I have to stay and hope it doesnt get worse, because I have more money in this house than I do in my savings accounts. It will get MUCH worse, when the next round of retiring buyers evaluate water costs.

Please do not give preference to a huge profitable water company over your senior citizens. It is

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

unconscionable that we again are asked to pay for Big Business' poor decisions, over which they DID have control. They knew what the risks were and passed it all on to us. So, why would you reward Arizona American Water for their poorly thought out business deal with the developer, when they DID have the resources and CONTROL to evaluate what they were buying?

PLEASE I and other seniors ask you to deny the rate increase. Thank you for reading this letter.

Sincerely,

Henrietta Longworth
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Customer comments entered for the record and filed with Docket Control.
End of Comments

Date Completed: 9/24/2010

Opinion No. 2010 - 89645

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Deb Reagan

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 89650

Date: 9/24/2010

<u>Complaint Description:</u>	08A	Rate Case Items - Opposed
	N/A	Not Applicable

First:

Last:

Complaint By: Ronald and Karen Burmood

Account Name: Ronald and Karen Burmood

Home:

Street:

Work:

City: Phoenix

CBR:

State: AZ **Zip:** 85086

is:

Utility Company. Arizona - American Water Company

Division: Water

Contact Name: Karl Wilkins

Contact Phone:

Nature of Complaint:

***** W-01303A-09-0343 AND SW-01303A-09-0343 *****

Customer sent the following -

From: burmood@cox.net [mailto:t

Sent: Friday, September 24, 2010 11:00 AM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Anthem Water Rates

We are writing to oppose the large water rate increase being proposed for Anthem. The potential size of the increase will potentially result in us assessing whether we can continue to maintain our home. Although it might mean only \$100.00 a month, there is also the probability that other groups will need to raise their rates as well to meet the exorbitant costs. For example, the Country Club and the Anthem Community Council.

We do enjoy a unique and beautiful community. When we purchased our home in 2002 one of the selling points was a story that Del Webb had negotiated water rights with an Native American tribe and we would therefore have priority in accessing water. There was no explanation of potential rate increases on any horizon.

We realize the rate commission is not responsible for such circumstances, but we also understand that Arizona Water can adjust their profits to cover part of the costs that have accrued. They have enjoyed profits from us and other Anthem homeowners for several years.

Ronald and Karen Burmood

Anthem, AZ 85086

End of Complaint

Utilities' Response:

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator's Comments and Disposition:

Comments entered for the record and filed with Docket Control.

End of Comments

Date Completed: 9/24/2010

Opinion No. 2010 - 89650

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Deb Reagan

Phone:

Fax:

Priority: Respond Within Five Days

Opinion **No.** 2010 89644

Date: 9/24/2010

Complaint Description: 08A Rate Case Items - Opposed
 N/A Not Applicable

First:

Last:

Complaint By: **Penni**

Klick

Account Name: Penni Klick

Home:

Street:

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is:

Utility Company. **Arizona - American Water Company**

Division: Water

Contact Name: Karl Wilkins

Contact Phone:

Nature of Complaint:

***** W-01303A-09-0343 AND SW-01303A-09-0343 *****

Customer sent the following -

From: Penni Klick [mailto:;
Sent: Friday, September 24, 2010 4:33 AM
To: Penni Klick
Subject:

Dear Corporation Commissioner,

Please accept this as my letter of concern and disagreement toward the upcoming Arizona American Water (subsidiary of American Water Works Company, Inc.) proposed increase in water rates in Anthem, Arizona and neighboring communities.

As a property owner, I am responsible for all association dues for my home, even while the home is occupied by tenants. Should the dues increase to cover the Association's water usage, I have no way of recovering the increase due to a long-term fixed rate lease. The proposed increase places us in an economic disadvantage with non-recoverable expenses with little or no justification.

With the economy as it is, many tenants are suffering from previous losses - take a moment to remember all the foreclosures, short sales and others selling their home just to stay one-step ahead of the creditors. Please also consider that a huge percentage of the population in the proposed Arizona American Water rate increase area is retired. In consideration of people on fixed incomes (and quite possibly much lower incomes than they had planned on due to losses in their retirement packages) will suffer the most, and that has a trickledown effect on us.

It seems a rather extreme measure to increase at such an exorbitant rate. Where in America are people

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

luxuriating in receiving a 70% increase in salary? It is more likely that employees have suffered a reduction in salary rather than any increase at all. Where will they find an extra \$70 to \$200+ per month for the same volume of water/sewer usage? It appears that this company is trying to recover the economic turnaround losses on the backs of those most unable to protect themselves.

If you live in one of the affected areas, are you willing to pay \$200 today for something that last month cost you \$125? This is an unconscionably large increase and must be reassessed and significantly reduced in light of the current state of economic affairs. If you are responsible for influencing or deciding the legitimacy of the proposal by American Water Works Company, Inc., you must consider the adverse consequences and vote the proposed increase down.

Per the American Water Works news release:

"American Water Works Company, Inc. (NYSE:AWK) announced today that its Board of Directors increased its quarterly cash dividend payment by five percent from \$0.21 to \$0.22 per share."

"The regular quarterly cash dividend is payable on September 1, 2010 to all shareholders of record as of August 18, 2010."

"We are pleased with the Board's decision to increase our dividend as it reflects our solid financial performance to-date," said Don Correll, president and CEO of American Water.

"This is our ninth consecutive declaration since going public in 2008" (this bolding done by me for emphasis to you).

These exorbitant increases will further aid the deterioration in the economy at a cost to many Americans similarly affected by such proposals in all states. It certainly demonstrates further the lack of integrity on those in leadership positions.

Our great country was built on the sacrifice and backs of those who of recent, have been subjected to the irresponsible gouging from situations like this proposed by American Water Works Company, Inc., and it is up to you to stand up for the rights of your constituents and ensure nationwide companies do not take advantage of us all.

Thank you for voting NO on the proposed increase.

Best regards,

Penni Klick
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Customer comments entered for the record and filed with Docket Control.
End of Comments

Date Completed: 9/24/2010

Opinion No. 2010 - 89644

W-01303A-09-0343
SW-01303A-09-0343

From: Judy Dennison [mailto:]
Sent: Thursday, September 23, 2010 2:52 PM
To: Utilities Div - Mailbox
Subject: water rate increase PLEASE HELP!!!!!!!!!!!!!!

PLEASE PLEASE PLEASE FIND A WAY TO HELP US!!!! WE ARE NEW RESIDENTS IN ANTHEM.....WHY CAN'T WE GET HELP FROM SOMEONE IN GOVERNMENT???? WHY SHOULD WE SUFFER WHEN THE ECONOMY IS AT IT'S WORST AND HOUSES ARE GOING DOWN DOWN DOWN!!!! HOW ARE WE SUPPOSE TO SURVIVE THIS??? WE NEED HELP....THERE MUST BE A WAY!!!! WE ARE RETIRED AND SO LOOKING FORWARD TO LIVING IN ANTHEM BECAUSE IT WAS AFFORDABLE FOR US RATHER THAN LOOKING IN SCOTTSDALE ETC. WE HAVE FAMILIES THAT ARE HURTING SO BADLY ALREADY AND LOSING JOBS....SURELY THERE IS SOMEONE THAT CAN FIND A SOLUTION TO THIS HORRID RATE HIKE!!!!!!!!!! WE ARE VICTIMS....WE PAY OUR BILLS AND PAY OUR TAXES, WHY SHOULD WE ALL BE PENALIZED OVER SOMETHING THAT IS NOT OUR FAULT????? WE VOTE FOR POLITICIANS WHO ARE THERE FOR THE EVERYDAY FAMILY.....WELL...WHERE ARE THEY WHEN WE NEED THEM???? SO MUCH MONEY IS WASTED IN GOVERNMENT....WE NEED TO BE ABLE TO AFFORD JUST PAYING OUR BILLS. HOW CAN WE EVER SELL OUR PROPERTIES IN THE FUTURE WITH THIS ALBATROS AROUND OUR NECKS????????????HELP PLEASE HELP!!!!

NEW VERY DISAPPOINTED RESIDENTS.....Judy and Bob Dennison

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89636

Date: 9/24/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By:

Andy

Tobias

Account Name:

Andy Tobias

Home: (000) 000-0000

Street:

N/A

Work: (000) 000-0000

City:

Anthem

CBR:

State:

AZ Zip: N/A

is: E-Mail

Utility Company:

Arizona - American Water Company

Division:

Water

Contact Name:

Karl Wilkins

Contact Phone: (623) 815-3109

Nature of Complaint:

9/23/10 ****received via Util Web Mail****

Reference: AZ American Water *****ANTHEM*****OPPOSED RATES*****
Docket No. W-01303A-09-0343 & SW-01303A-09-0343

From: Andy Tobias [mailto:..

Sent: Thursday, September 23, 2010 3:36 PM

To: Mayes-WebEmail

Cc: Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Anthem Water Rate Case

This email is to state my position on the Arizona American proposed rate increase. I believe as every Anthem resident I have spoken to, that the rate increase requested is completely unreasonable, unjust, and has potentially far reaching negative effects that has the possibility to wipe out a whole community.

This increase will make the average monthly water bill go from \$125 to \$200. In addition the homeowners will have to pay substantially increased fees to the HOA's and the Country Club as their rate skyrocket. It will lower home values and make our already stressed housing market worse.

In addition to our community being singled out to pay some of the highest water rates in the country, the way in which the rates are being determined are just wrong. Normally the cost of infrastructure is built into the sales price of the homes, it was not at this development. The developer did not build in these costs, rather structured the buyout of the utility and deferred the costs to them. The plan was then to recoup the costs from the water district through these rate increases. Unfortunately, the developer did not disclose this to the home buyers at any time.

It is also unfair and unjust to push these up-front costs along immediately and expect complete repayment with interest by raising the rates to the consumers. No private business could do this to its clients. I am in auto repair. I could not recoup my capital expenditures for equipment up front from my clients. Using the Arizona

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

American model I would charge each of my clients \$500 every time I used that tire machine until the capital expenditure was paid off. I would be out of business.

As I'm sure you have already received thousands of emails, letters, and phone calls, I'll stop here. You know this is unreasonable. You know this will have a catastrophic impact on this community. You know this is not right. Please do the right thing and vote this down. Try to help the people, your constituents, of this community keep their homes.

Thank you for your time.

Andy Tobias aam.
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/24/10 Comments entered for the record and doceted.
End of Comments

Date Completed: 9/24/2010

Opinion No. 2010 - 89636

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion

No. 2010 - 89635

Date: 9/24/2010

Complaint Description:

08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

Complaint By:

Wendy & Jeff

Patterson

Account Name:

Wendy & Jeff Patterson

Home: (000) 000-0000

Street:

N/A

Work: (000) 000-0000

City:

Anthem

CBR:

State:

AZ

Zip: N/A

is: E-Mail

Utility Company:

Arizona - American Water Company

Division:

Water

Contact Name:

Karl Wilkins

Contact Phone: (623) 815-3109

Nature of Complaint:

9/23/10 ****received via Util Web Mail****

Reference: AZ American Water *****ANTHEM*****OPPOSED RATES*****
Docket No. W-01303A-09-0343 & SW-01303A-09-0343

From: Wendy Patterson [mailto:]

Sent: Thursday, September 23, 2010 2:50 PM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: AZ American Water Rate Hike in Anthem

Dear Arizona Corporation Commissioners:

We have been residents in Anthem since 2003. We bought our home on the golf course directly from Pulte and were never made aware of their backroom deal with AZ American Water. We started out paying around \$70 a month for our home's water and sewer and we are already up to over \$125/month for only 3 people. The monthly dues at the Country Club have also gone up significantly due to their increasing water and sewer charges. We also owned a restaurant in Anthem for a few years and saw first hand the effect that the exorbitant water and sewer rates have on a small business. These costs get passed onto the consumers and the Anthem residents get gouged again. Every homeowner and every business in this community has already suffered an undue burden from a secret agreement between two large companies that we were not a party to or even made aware of. This beautiful community has additionally suffered a great deal from the mortgage crisis. We saw a large portion of the homes here get foreclosed on and still depend on rental property in order to keep houses occupied and maintained. The homes on the west side of I-17 as well as the homes south on Carefree Highway are all supplied with water from the City of Phoenix at a cost to homeowners significantly below that from AZ American Water, despite actually getting the water from AZ American. How are our homes supposed to compete either for sale or for rent versus those nearby homes with lower utility costs? I implore you to do the right thing and deny the request of AZ American water to further increase our water and sewer rates now or in the near future.

Sincerely,

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Wendy and Jeff Patterson
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/24/10 Comments entered for the record and doctored.
End of Comments

Date Completed: 9/24/2010

Opinion No. 2010 - 89635

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89634

Date: 9/24/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **Trey**

Hughes

Account Name: Trey Hughes

Home:

Street:

Work: (000) 000-0000

City: Anthem

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: **Arizona - American Water Company**

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3109

Nature of Complaint:

9/23/10 ****received via Util Web Mail****

Reference: AZ American Water *****ANTHEM*****OPPOSED RATES*****
Docket No. W-01303A-09-0343 & SW-01303A-09-0343

From: Trey Hughes [mailto:

Sent: Thursday, September 23, 2010 2:42 PM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Anthem Water Rates

Commission Members:

This email is ask you to consider the smallest increase amount possible in your case with AZ American Water's appeal to raise rates. I believe I speak for all residents that we will struggle immensely to pay the rates they seeking. They are in the predicament they're in because of lack of due diligence on their part. Please don't penalize us for their mistake. Thank you for your consideration in this matter.

Trey Hughes

Anthem A7 85086

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/24/10 Comments entered for the record and doceted.

End of Comments

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Date Completed: 9/24/2010

Opinion No. 2010 - 89634

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89639

Date: 9/24/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By:

L

Domecq

Account Name: L Domecq

Home: (000) 000-0000

Street: N/A

Work: (000) 000-0000

City: Anthem

CBR

State: AZ Zip: N/A

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3109

Nature of Complaint:

9/23/10 ****received via Util Web Mail****

Reference: AZ American Water *****ANTHEM*****OPPOSED RATES*****
Docket No. W-01303A-09-0343 & SW-01303A-09-0343

From: [mailto:

Sent: Thursday, September 23, 2010 4:51 PM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Anthem Water Rate Increase

The proposed Anthem Water Rate increase will have a very negative impact on our family. This economy has been very difficult on us and income has been lost. We have made all of the cutbacks that we can in order to meet our monthly budget and do not have room to pay more. An increase like this is more than just our water bill, but will affect all of the bills that we receive from the Anthem entities. We can not afford an increase like this. Anthem has suffered the last couple of years and families are barely hanging on. This will push many of them over the edge. You must seek other means to resolve these issues than to punish the residents that live here for a bad business deal that was made with the developer.

Our family opposes this rate increase!!

L. Domecq

Anthem resident

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/24/10 Comments entered for the record and docketed.

End of Comments

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Date Completed: 9/24/2010

Opinion No. 2010 - 89639

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89622

Date: 9/23/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **Doug**

Newcombe

Account Name: Doug Newcombe

Home: (000) 000-0000

Street: N/A

Work: (000) 000-0000

City: Anthem

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company. **Arizona - American Water Company**

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3109

Nature of Complaint:

9/23/10 ****received via Util Web Mail****

Reference: AZ American Water *****ANTHEM*****OPPOSED RATES*****
Docket No. W-01303A-09-0343 & SW-01303A-09-0343

From: Douglas Newcombe [mailto:

Sent: Thursday, September 23, 2010 1:40 PM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Water Rate Increases

It's my understanding that Arizona American wants to raise their rates for the water they provide to Anthem. This rate has already increased substantially recently. I assume they want to raise the rates to increase their revenue, but the rate increase would have the opposite effect. In fact, a rate increase of 50% or more would kill the community.

People would be forced to reduce their water usage significantly. Most people have already reduced their water usage because of the last rate increase. But the community property can't cut their water supply, so the rate increase would result in higher association dues.

In a few years time, the AZ American's revenue would be cut substantially, and then they would want another increase!

Anthem cannot sustain a huge water rate increase. Many people are barely hanging on as it is. Increased costs of living will push many over the edge, and they'll just stop paying their bills and let the homes go into foreclosure. No one will want to live here if it gets more and more expensive.

People are very, very angry about this.

Doug Newcombe

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Anthem, AZ

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/23/10 Comments entered for the record and docketed

End of Comments

Date Completed: 9/23/2010

Opinion No. 2010 - 89622

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone: 602 712 1217

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89624

Date: 9/23/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Last:
Laurie **Rezagholi**

Account Name: Laurie Rezagholi

Home:

Street:

Work: (000) 000-0000

City: Anthem

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: **Arizona - American Water Company**

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3109

Nature of Complaint:

9/23/10 ****received via Util Web Mail****

Reference: AZ American Water *****ANTHEM*****OPPOSED RATES*****
Docket No. W-01303A-09-0343 & SW-01303A-09-0343

From: tj
Sent: Thursday, September 23, 2010 2:19 PM
To: Utilities Div - Mailbox
Subject: AZ Water - Anthem rate increase

I am contacting you regarding my concern for the proposed water rate increases in Anthem, AZ by AZ Water. I have just moved to AZ and selected Anthem for its stability in this unstable housing market and the fact that even though foreclosures and short sales exist here - there are more houses for resale that are not and these houses sell quickly because of what the community has to offer. It is a lovely neighborhood with desert plants, shrubs, trees. The golf course was our main attraction along with the community pool and the Anthem Country Club pool facility. It is not cheap living here but this water rate increase is going to be more than just an astronomical monthly bill - it is going to hit our monthly golf and HOA dues. A golf club has to have water and we are going to be directly hit with that increase. It is a two edge sword for the HOA - if we don't keep up the landscape - property values go down - if we keep it up ant the HOA dues are too high people won't find this area desirable, those already stressed will foreclose or walk away and the property values plummet again.

Jobs will be lost all over the community ---- have we not heard the politicians all saying they are working to turn the economy through job creation. I will not vote for any of the commissioners currently elected the next time around if they can not understand the consequences of AZ Water's proposed increase. For example - who needs a landscaper when we cut back on plants and scrubs, who needs to sell supplies, make repairs and maintain pools when property owners can no longer afford the water to keep them full. Why live in AZ at all if you can not have access to a pool? Incomes are not rising and doubling a payment for water will reduce expenditures on entertainment from restaurants, movies, cable, etc. etc. and again more jobs and more burden

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

on our government, resulting in move taxes etc. etc. etc. We need Jobs - we need to get money flowing - don't let this happen.

Certainly we all understand businesses need to make money and cover costs. But AZ Water is a large corporations and have the means to stay profitable without attacking a small number of their customers in a small community.

Again, I just moved to the Anthem Country Club community. It is a beautiful, peaceful place to live. We just retired and have a fixed income and since we want to Golf until we are too old to move - we chose this area. We thought we got the most for our money. We sold a home in Florida in May at a loss (as most have) to move out here. Now I am concerned we have made the wrong decision and if this community deteriorates - if the amenities become too expensive and we have to golf elsewhere due to cost - then we have no reason to stay here.

Please support the members of this community and oppose the rate increase. This is not the time to hit so many and suffer more job loss. We all are concerned about tax increases, Obama care and all the effects on individuals and business growth and the uncertainty of this water rate increase is a large load on everyone's mind. Would you move to a community where they pay twice as much in utilities and water bills - if you could live 10 miles closer to the city and pay less? This is a simple decision - please do what is right.

Laurie Rezagholi

Anthem, AZ 85086

lrezagholi@aol.com

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/23/10 Comments entered for the record and docketed

End of Comments

Date Completed: 9/23/2010

Opinion No. 2010 - 89624

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89621

Date: 9/23/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **Leland & Donna Sidwell**

Account Name: Leland & Donna Sidwell

Home: (000) 000-0000

Street: N/A

Work: (000) 000-0000

City: Anthem

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: **Arizona - American Water Company**

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3109

Nature of Complaint:

9/23/10 ****received via Util Web Mail****

Reference: AZ American Water *****ANTHEM*****OPPOSED RATES*****
Docket No. W-01303A-09-0343 & SW-01303A-09-0343

-----Original Message-----

From: karl.wilkins@americanwater.com
Sent: Thursday, September 23, 2010 1:26 PM
To: Utilities Div - Mailbox
Subject: Water Rates

This email is being sent to respectfully ask your immediate attention as to the impending water rate hike. Please listen to the consumers, this one included, who will be adversely affected if this takes place.

Speaking as a couple on a small income, a 77% rate hike would take away money we don't even have! Keeping a decent yard would be impossible although we have only desert plants and no grass. Surely there are ways to meet commitments for the water company without such disastrous decisions impacting small consumers.

One of the reasons we purchased a home in Anthem ten years ago was the reassurance that water supply and costs would not be a problem. We are relying on you to keep it that way.

Sincerely,
Leland and Donna Sidwell
End of Complaint

Utilities' Response:

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator's Comments and Disposition:

9/23/10 Comments entered for the record and docketed

End of Comments

Date Completed: 9/23/2010

Opinion No. 2010 - 89621

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89619

Date: 9/23/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **William**

Ofsowitz

Account Name: William Ofsowitz

Home: (000) 000-0000

Street: N/A

Work: (000) 000-0000

City: Anthem

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: **Arizona - American Water Company**

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3109

Nature of Complaint:

9/23/10 ****received via Util Web Mail****

Reference: AZ American Water *****ANTHEM*****OPPOSED RATES*****
Docket No. W-01303A-09-0343 & SW-01303A-09-0343

From:

Sent: Thursday, September 23, 2010 1:13 PM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Anthem Water Rate Case

My wife and I are retired and on a fixed income. We moved here to be with family members that live in Parkside. We have budgeted our expenses with the understanding that there will always be cost increases on maintenance, utilities, etc. and have allotted for that.

The extreme increase that Arizona American Water has projected would be an extreme financial burden to us at this time. It would seem more practical, since the water company covers numerous locations in the Phoenix area, to have a gradual increase where all parties would share proportionately. From information I read, Sun City is paying considerably less in rates than we are in Anthem.

Your consideration for the homeowners in Anthem, whether they be retired or young couples raising a family, would be most appreciated.

Sincerely,

William Ofsowitz

Anthem, AZ

End of Complaint

Utilities' Response:

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator's Comments and Disposition:

9/23/10 Comments entered for the record and docketed

End of Comments

Date Completed: 9/23/2010

Opinion No. 2010 - 89619

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89618

Date: 9/23/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **Susan**

Woods

Account Name: Susan Woods

Home: (000) 000-0000

Street:

Work: (000) 000-0000

City: Anthem

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company. **Arizona - American Water Company**

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3109

Nature of Complaint:

9/23/10 ****received via Util Web Mail****

Reference: AZ American Water *****ANTHEM*****OPPOSED RATES*****

From:

Sent: Thursday, September 23, 2010 12:46 PM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Opposition to Proposed Water Rate Increase in Anthem

Good Afternoon,

I have written to you in the past but do so again just to impress upon you how devastating the proposed water rate increase in Anthem will be to me and my husband personally and to all residents of Anthem. I become more anxious each day as we await the final verdict on this case. My husband and I already have what we consider to be an extremely high water bill. We pay on average \$140.00/month. There are only 2 of us living in the house. We have no pool or spa. We recently removed our grass in the backyard and put in artificial turf to try and reduce our water consumption. With that being said, it should be obvious that the water we use is for basic yard irrigation, bathing, washing, cooking and drinking. Wouldn't you agree that \$140.00 for that is already high and now you are considering allowing the Arizona American Water Company to increase our bill another 70%? The very idea that this is being discussed is outrageous. We are going to be affected on multiple levels - our home water bill will go up, our homeowner dues will go up, all businesses that we utilize in Anthem will have to raise their rates because of the effect on them so we will have to pay higher prices for their services, it goes on and on.

I urge you to please look at this issue carefully and consider just how damaging this increase will be to us and to our wonderful community. We should not have to pay for poor business judgement that we have no control of. Anthem could be quite literally destroyed by a decision to increase the water rates. People are already suffering due to the struggling economy and having this added to what is already happening may very well be the last nail to seal the coffin. I'm sure that if you put yourself in our shoes, you would not want to have the burden of this

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

potential water rate increase. I ask you to save us from this fate.

Sincerely,
Susan Woods

Anthem, AZ 85086
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/23/10 Comments entered for the record and docketed
End of Comments

Date Completed: 9/23/2010

Opinion No. 2010 - 89618

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89617

Date: 9/23/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **Chris B.**

Nelson

Account Name: Chris B. Nelson

Home: (000) 000-0000

Street: N/A

Work: (000) 000-0000

City: N/A

CBR:

State: AZ Zip: N/A

is: E-Mail

Utility Company: **Arizona - American Water Company**

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3109

Nature of Complaint:

9/23/10 ****received via Util Web Mail****

Reference: AZ American Water *****OPPOSED RATES*****

From: Chris Nelson [mailto:]

Sent: Thursday, September 23, 2010 12:07 PM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Water Rates

Dear Commissioners:

You must be kidding. Raising the water rates to those levels is absurd. Your are signing your death nail. You will be voted out. How can you possibly justify rate increases to this extent. This is like paying \$10 for a gallon of fuel.

It's absurd. It's crazy. It's foolish. You will be voted out!! Keep that in mind if you like your job.'

Chris B. Nelson,
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/23/10 Comments entered for the record and docketed

End of Comments

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Date Completed: 9/23/2010

Opinion No. 2010 - 89617

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89616

Date: 9/23/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **Deems & Judy**

Davis

Account Name: Deems & Judy Davis

Home: (000) 000-0000

Street:

Work: (000) 000-0000

City: Anthem

CBR: -

State: AZ Zip: N/A

is: E-Mail

Utility Company: **Arizona - American Water Company**

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3109

Nature of Complaint:

9/23/10 ****received via Util Web Mail****

Reference: AZ American Water *****ANTHEM*****OPPOSED RATES*****

From: Deems Davis [mailto:

Sent: Thursday, September 23, 2010 11:59 AM

To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Proposed Water rate increase for Anthem

I'm writing to you to urge you not to approve the proposed water increase. Our water rates in Anthem are among the highest in the valley currently, and this increase will put them WAY out of line. We are retired and live on our limited savings and investments, the collapse of the economy has reduced our income by 60%. Both my wife and I have gone back to work in order to pay bills. A rate increase of this magnitude is unconscionable, and should be rejected. American Water is a large corporation and has assets and capabilities that they can and should have used to better plan and prepare for their infrastructure needs. Asking their customers to pay for their poor planning is unacceptable.

Deems & Judy Davis

Anthem, AZ

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/23/10 Comments entered for the record and docketed

End of Comments

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Date Completed: 9/23/2010

Opinion No. 2010 - 89616

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone: (

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89614

Date: 9/23/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **Kevin**

Connolly

Account Name: Kevin Connolly

Home:

Street:

Work:

City: Phoenix

CBR:

State: AZ Zip: 85086

is:

Utility Company: **Arizona - American Water Company**

Division: Water

Contact Name:

Contact Phone:

Nature of Complaint:

From: K Connolly

Sent: Thursday, September 23, 2010 11:40 AM

To: Mayes-WebEmail

Cc: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox

Subject: Water Rates

It has come to my attention about the drastic water rate increase that Anthem may be facing. How can you honestly raise our rates to the highest in Arizona and most parts of the United States? Please do not try and tell me I should have known when I moved here 8 years ago, it was NEVER mentioned.

Please be fair and realize the residents of Anthem should not be penalized with \$200 a month water bills.

Kevin Connolly

Anthem, AZ 85086

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion docketed

End of Comments

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Date Completed: 9/23/2010

Opinion No. 2010 - 89614

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Brad Morton

Phone: ()

Fax: , -

Priority: Respond Within Five Days

Opinion No. 2010 - 89613

Date: 9/23/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Last:
F, Ritchelli

Account Name: F, Ritchelli Home: (000) 000-0000

Street: n/a Work:

City: Phoenix CBR:

State: AZ Zip: 85086 is:

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Contact Phone:

Nature of Complaint:

From: [REDACTED]@aol.com
Sent: Thursday, September 23, 2010 11:30 AM
To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox
Subject: Anthem Water Rates

Dear Commissioners,

The proposed water rate increases will be a back breaker. What will happen to us if we cannot afford to pay the higher bills. Will our water be turned off ?

This increase must not be allowed to go through. We need your understanding on this matter.

Thanks you F Ritchelli
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Opinion docketed
End of Comments

Date Completed: 9/23/2010

Opinion No. 2010 - 89613

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Attached are online survey responses from Anthem residents regarding the water rate increase proposed by Arizona American Water. As of today, over 250 residents have taken the time to share their story on how their family will be impacted if this rate increase goes through. On behalf of Anthem residents, the Anthem Community Council would like the attached information from the online survey docketed with the Arizona Corporation Commission as well as sent to the Commissioners deciding this case so they're aware of where Anthem stands on this important issue and what impact an increase of this magnitude will have on the community and the people who have chosen to live here.

As additional online survey responses are collected, they will be docketed with the Arizona Corporation Commission and sent to the Commissioners to continue to inform them on why Anthem residents are opposed to this significant water rate increase.

Jennifer Solomon

Communications Director

Anthem Community Council

Freedom Way Maga
End of Complaint

Utilities' Response:

End of Response

Investigator's Comments and Disposition:

9/22
Emailed to Phoenix for docketing.
FILE CLOSED.
End of Comments

Date Completed: 9/22/2010

Opinion No. 2010 - 89579

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Richard Martinez

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89496

Date: 9/20/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Mike Last: Capeloto

Account Name: Mike Capeloto

Home: (000) 000-0000

Street: email address

Work:

City: Tucson

CBR:

State: AZ Zip: 85701

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name:

Contact Phone:

Nature of Complaint:

***** W-01303A-09-0343 AND SW-01303A-09-0343 *****

From: Mike Capeloto [mailto:
Sent: Saturday, September 18, 2010 9:08 AM
To: Utilities Div - Mailbox
Subject: Water rate increase

Arizona Corporate Commissioners - I am appalled that Arizona American Water has plans to raise our rates so drastically. In a time, when the economy has devastated many people, this will have a major financial impact one every resident.

As you know, this will affect the lifestyle of every person.

Our water company, Arizona American Water Company, is a multimillion dollar corporation with yearly profits and one that can afford to use other standard practices to secure their return of infrastructure investment.

I know that I can count on you to protect our interests and come up with a much more reasonable solution.

We elect you to act in our best interests and manage issues like this.

I urge you to protect the residents in Anthem and stop (or severely decrease) the rate hikes proposed by Arizona American Water.

I thank you for your attention to this very important matter.

Best Regards

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Mike Capeloto
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/20-
I Emailed to Phoenix for docketing. FILE CLOSED.
End of Comments

Date Completed: 9/20/2010

Opinion No. 2010 - 89496

Docket No. W-01303A-09-0343 &
SW-01303A-09-0343

9/17/10*****RECEIVED On Behalf Of Utilities Div - Mailbox

From: Ronnie & Rob Welch
Sent: Thursday, September 16, 2010 8:02 PM
To: Mayes-WebEmail; Kennedy-Web; Newman-Web; Pierce-Web; Stump-Web; Utilities Div - Mailbox
Cc:
Subject: Proposed Anthem Water Rate Increase

My wife and I feel that the proposed rate increase (about double) for water and sewer services is unfair, unjustified, and possibly illegal.

The proposed water rate increase will not only cause our personal water bill to drastically increase, but will also cause our HOA fee and the club fee to increase, both significant users of water. This grossly unfair TRIPLE drain on our fixed retirement income will drastically reduce our personal disposable income that normally would be spent in our community. The purposed rate increase will not only cause our local business to suffer loss of income, but will also reduce the amount of tax revenue our community, county, and state receives. This, again, will cause these governments to increase their taxes to us (another hidden cost to us in the rate increase) and reduce their levels of services. As education is by far the largest portion of our tax burden, our children will suffer the most by this increase. The final result is that everyone in our community suffers four additional drains on their budgets due to either the lack of sound business decisions by the leaders of the water company, or perhaps even their corporate greed. What really hurts, however, is that we have no choice but to accept what they charge us. There is no competitor for us to seek the same services from. We are forced to accept the increase, or to move from our home. ONLY YOU CAN SAVE US from this injustice.

Even the quality of water is poor. It is undrinkable as delivered and must be purified for drinking and cooking. The water is so hard that it must be filtered just to wash one's car or outdoor furniture. We recently moved here from Phoenix/Scottsdale, and the quality of the water there is far superior, especially in Scottsdale.

Paul Townsley, President of Arizona American Water, has stated the increase is for services already delivered. These comments appeared in local publications. Justifying the rate increase as payment for services already delivered is not a valid justification. We only moved into Anthem 11 months ago. It is unfair and illegal to charge us for services we have not received.

It has also been stated that the rate increase is because of an early build-out of homes in Anthem, and that the water company made their agreement with Del Webb projecting a future build-out date. We, the residents of Anthem, should not have to bear the burden of a bad decision by the water company. The water company executives are responsible

for this bad decision, not us. It is unfair, and unjust for us to have to pay for their faulty judgment. The water company competed for this venue, struck a deal with Del Webb, and now must live with that decision. That is the American free enterprise way. It would be unfair to the other water companies they competed against to grant them this increase.

In addition to the above, the proposed rate increase is inconsistent with similar services provided in Maricopa County. Recently published in the Arizona Republic on Sunday, 4 April 2010 were the rates of 10 Maricopa County municipalities. The water rates ranged from \$30.29 to \$52.48, averaging \$41.42 per month. The sewer rates ranged from \$19.97 to 44.29, averaging 30.08 per month. No rates were given for Anthem, but this past year my average Anthem water bill was \$71.94, and my sewer was \$52.25 monthly, and that didn't include the taxes. Already we are paying the highest rates in the valley, and almost 2/3s more than the average water and sewer rates. And, that is just for my wife & I, and not a household full of kids.

I checked with a friend of mine who lives in Anthem, but on the West side of I-17, which receives its services from the City of Phoenix. His average combined water/sewer bill runs about \$50.00 monthly. He lives less than 3 miles from us. How can his total bill be only 40% of my combined bill? The proposed rate increase is unfair, and in our opinion, unjustified and illegal.

And, I haven't even addressed the issues of the size of the water meter, or the way the sewer bill is figured. Both are unfair and unjust, especially the way the sewer bill is figured. We are only two adults, and not high users of water.

In our old valley home, we received water and sewer services from the City of Phoenix. Our average Phoenix water, sewer & solid waste bill including taxes was only \$59.20. This is considerably less than our current water bill alone here in Anthem, without taxes. The below graph represents our last year's worth of billing for water and sewer from the City of Phoenix, directly before moving to Anthem. Just a glance at this bill makes one wonder what corporate greed is driving the Arizona American Water to ask for a rate increase. Again, there is no competitor that we can go to for this service. Only you can keep them honest, and in line with other water/sewer providers.

ACCOUNT									
CITY OF PHOENIX WATER SERVICES DEPARTMENT									
ROBERT WELCH									
SCOTTSDALE, AZ									
MONTH	BASE	WATER		SEWER		SOLID	TAXES		TOTAL
	FEE	USAGE	CHARGE	FEE	CHARGE	WASTE	CITY	STATE & OTHER	BILL
		FEE					TAX	TAX	
3/9/2009	\$ 4.64	\$ 5.97	\$ 3.33	\$ 17.41	\$ 3.92	\$ 25.45	\$0.95	\$ 3.17	\$ 64.84

2/5/2009	\$ 4.64	\$ 1.83	\$ 2.17	\$ 16.60	\$ 3.62	\$ 25.45	\$0.79	\$ 2.83	\$ 57.93
1/8/2009	\$ 4.64	\$ 3.66	\$ 2.48	\$ 16.60	\$ 3.62	\$ 25.45	\$0.85	\$ 2.97	\$ 60.27
12/5/2008	\$ 4.64	\$ 10.98	\$ 3.72	\$ 16.60	\$ 3.62	\$ 25.45	\$1.08	\$ 3.52	\$ 69.61
11/3/2008	\$ 4.64	\$ -	\$ 1.86	\$ 16.60	\$ 3.62	\$ 25.45	\$0.73	\$ 2.69	\$ 55.59
10/7/2008	\$ 4.64	\$ 8.80	\$ 3.10	\$ 16.60	\$ 3.62	\$ 25.45	\$1.00	\$ 3.34	\$ 66.55
9/8/2008	\$ 4.64	\$ 2.81	\$ 3.41	\$ 16.60	\$ 3.62	\$ 25.45	\$0.85	\$ 2.98	\$ 60.36
8/7/2008	\$ 4.64	\$ -	\$ 3.10	\$ 16.60	\$ 3.62	\$ 25.45	\$0.76	\$ 2.79	\$ 56.96
7/8/2008	\$ 4.64	\$ -	\$ 3.10	\$ 16.60	\$ 3.62	\$ 25.45	\$0.76	\$ 1.79	\$ 55.96
6/6/2008	\$ 4.64	\$ -	\$ 3.10	\$ 10.11	\$ 2.09	\$ 25.45	\$0.54	\$ 1.79	\$ 47.72
5/6/2008	\$ 4.64	\$ 2.20	\$ 2.17	\$ 10.11	\$ 2.09	\$ 25.45	\$0.58	\$ 1.85	\$ 49.09
4/7/2008	\$ 4.64	\$ 15.40	\$ 4.03	\$ 10.11	\$ 2.09	\$ 25.45	\$0.99	\$ 2.82	\$ 65.53
ANNUAL MONTHLY	\$55.68	\$ 51.65	\$ 35.57	\$180.54	\$ 39.15	\$305.40	\$9.88	\$ 32.54	\$710.41
	WATER			SEWER		WASTE	TAXES		TOTAL
	142.90			\$219.69		\$305.40	\$ 42.42		\$710.41
	\$ 11.91			\$ 18.31		\$ 25.45	\$ 3.54		\$ 59.20

Thank you for your time.

Ronnie & Rob

Veronica & Robert E. Welch

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89480

Date: 9/20/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **Richard**

Shaw

Account Name: Richard Shaw

Home: (000) 000-0000

Street:

Work: (000) 000-0000

City: Anthem

CBR:

State: AZ Zip: 85086

is: E-Mail

Utility Company: **Arizona - American Water Company**

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3107

Nature of Complaint:

9/17/10 Referred via Util Webmail

Reference: Arizona American Water*****ANTHEM*****OPPOSED RATES*****
Docket No. W-01303A-09-0343 & SW-01303A-09-0343

From: [mailto: [redacted]]
Sent: Tuesday, September 15, 2010 7:45 PM
To: Utilities Div - Mailbox
Subject: Docket W-01303A-09-03-43, SW-01303A-09-03-43
To:

Chairwoman Mayes

Commissioners Kennedy, Newman, Pierce, Stump

As a home owner in Anthem Country Club and a very soon to be retiree on a fixed income. I am shocked to hear about the large increases in our water costs both for our home and in the fees we pay to Anthem Community and Anthem Golf Club, a triple hit.

Such major increases were not known when we bought our home and into the Anthem Community.

I understand that Arizona American Water is a large company that could finance the infrastructure costs in a much more normal and equitable way through long term debt financing.

I urge you to carefully consider the more detailed and technical submissions from others to please help us get the proposed rate increases either eliminated or substantially reduced.

Thank you

Richard Shaw

Anthem, AZ 85086

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/20/10 Comments entered for the record and docketed.

End of Comments

Date Completed: 9/20/2010

Opinion No. 2010 - 89480

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89478

Date: 9/20/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **Raymond J. & Gayle Kelly**

Account Name: Raymond J. & Gayle G. Kelly

Home: (000) 000-0000

Street: N/A

Work: (000) 000-0000

City: Anthem

CBR:

State: AZ Zip: N/A

is: E-Mail

Utility Company: **Arizona - American Water Company**

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3107

Nature of Complaint:

9/17/10 Referred via Util Webmail

Reference: Arizona American Water*****ANTHEM*****OPPOSED RATES*****
Docket No. W-01303A-09-0343 & SW-01303A-09-0343

From: Gayle Kelly

Sent: Thursday, September 16, 2010 6:20 AM

To: Utilities Div - Mailbox

Subject: Re Rate Increase

Dear Commissioners,

My Wife and I are pensioners and purchased our retirement Anthem home in 2002. Our real estate sales person, Doug Clark, has on numerous occasions stated that that he had no knowledge of an increase in water and waste water rates pending.

A major increase in water rates would negatively impact our limited budget and we could be forced to sell our home in a very poor market and look to move elsewhere.

My wife works as a volunteer with St. Vincent de Paul and finds that many of our neighbors are faced with this serious situation and have no alternative solution than to walk away from an upside down mortgage and start over elsewhere, suffering a major loss both financially and emotionally.

The substantial proposed increase in Anthem rates will also have a major impact on local merchants, club dues, community programs, as well as all residents of what was considered to be a master planned community.

Many will be forced out of Anthem because of illegal, non disclosed side agreements conducted by our developer and the water company, I believe that RICCO fraud statutes apply here.

Please consider this letter as a desperate cry for help and justice for all residents.

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

It is in your hands now, your decision will play a part in turning this recessionary trend around, may God Bless and help you.

Thank You,

Raymond J. Kelly
Gayle G. Kelly
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/20/10 Comments entered for the record and docketed.
End of Comments

Date Completed: 9/20/2010

Opinion No. 2010 - 89478

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carolyn Buck

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2010 - 89476

Date: 9/20/2010

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By:

Lona

Durand

Account Name: Lona Durand

Home: (000) 000-0000

Street: N/A

Work: (000) 000-0000

City: Anthem

CBR:

State: AZ Zip: N/A

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: Karl Wilkins

Contact Phone: (623) 815-3107

Nature of Complaint:

9/17/10 Referred via Util Webmail

Reference: Arizona American Water*****ANTHEM*****OPPOSED RATES*****
Docket No. W-01303A-09-0343 & SW-01303A-09-0343

From: Lona

Sent: Friday, September 17, 2010 8:22 AM

To: Utilities Div - Mailbox

Subject: Az American Water Rate Increase

Dear Commissioners:

As a resident of Anthem, I already pay absurdely high water/sewer fees and am extremely opposed to allowing Az American Water further increase our fees to improve their profits.

When I purchased my Anthem home in January, 2004, I purchased a complete home - I paid for a complete home. I asked very pointed questions regarding increases in water rates and was told there would be merely cost of living increases in my water bill. I was never told I was purchasing a home without water/sewer infrastructure.

It is absurd to allow a third party company to come in and bill us for something we were never told would be extra. That should be an issue between the builder and the water company - not the resident. Would the Commissioners stand for their water entity sending them an extra bill for a home they already bought?? I think not.

I beg of the Commissioners to deny any rate increases to Az American Water. I cannot afford to pay more for water/ sewer service and the bottom line is, I shouldn't have to. I paid the builder for a complete home - including infrastructure.

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Please help the Anthem residents by rejecting any further increase requests by Az American Water.

Thank you.

Lona Durand
Anthem Resident
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

9/20/10 Comments entered for the record and docketed.
End of Comments

Date Completed: 9/20/2010

Opinion No. 2010 - 89476

From: lynnbrendavick
Sent: Thursday, September 23, 2010 3:13 PM
To: Mayes-WebEmail; Stump-Web; Pierce-Web; Newman-Web; Kennedy-Web; Utilities Div - Mailbox
Cc: Director Jodi Jerich, Esq
Subject: Anthem Wastewater Case - Docket No. W-01303A-09-0343

ANTHEM, ARIZONA

AAWC WATER RATE CASE – DOCKET NO. W-01303A-09-0343

WASTEWATER - WHO PAYS FOR IT

Dear Commissioners,

The Arizona American Water Company (AAWC) is currently requesting an approximate 61 percent increase for the cost of wastewater in Anthem on top of the rate increase granted to them about two year ago. It is my understanding that the rates are basically determined by the revenue requirement which is essentially computed by three factors: (1) Rate Base, (2) Rate of Return, and (3) Expenses. The only way to lower the revenue requirement (cost to customers) is to lower any or all three of those three factors. Once the revenue requirement is determined, all other discussion is basically about who pays what amount.

The revenue requirement for wastewater is achieved from basically two sources: (1) the cost for the use of effluent water primarily for irrigation of parks, ball fields, golf courses, etc., and (2) wastewater (sewer) charges for residential customers. If the cost of effluent water usage is reduced for those who use the effluent water, the cost of wastewater for the AAWC residential customers would go up to offset the lowering of the cost for the usage of effluent water. This is necessary to obtain the computed revenue requirement for wastewater.

The parks, ball fields, golf courses, etc. use only effluent water for their irrigation. If the effluent water is not used for the watering of the parks, ball fields, golf courses, etc., it will be uselessly disposed of in washes or elsewhere and the sewer charges will be increased in order to meet the revenue requirement.

The reduction of the usage of effluent water for irrigation in Anthem is actually counter productive for four reasons:

1. Any "cost savings" achieved by the reduction of the usage of effluent water must be offset by an increase in the cost of wastewater for residents in order to achieve the computed revenue requirement.
2. The cost of effluent water for irrigation is paid by those who benefit from the usage.
3. The green areas provided by the usage of effluent water for irrigation is better for the environment and provides a more pleasant atmosphere.

4. Full usage of the effluent water for irrigation will reduce the cost of wastewater (sewer charges) for the residential customers.

The ideal situation would be for all of the available effluent water to be used by those who irrigate with effluent water. That way those who benefit from the use of effluent water would be those who pay for it. Also, the wastewater costs for the residents would not need to be increased by the amount of reductions of effluent water usage, in order to achieve the computed revenue requirement.

I am not a rate making expert, so I have no idea how the cost of effluent water is determined or what is an equitable balance between the cost of effluent water and the charges for wastewater (sewer service charges) in order to achieve the revenue requirement. I trust that the Commissioners will use their good judgment in making those determinations.

It does make sense to me for the effluent water to be used for irrigation rather than being wasted by being dumped in washes or disposed of by some other wasteful manner.

Respectfully Submitted,
Lynn Vick
Anthem, AZ 85086